

State of Nevada
Office of the State Controller

Accounting Policies and Procedures



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ACCOUNTING POLICIES AND PROCEDURES

TABLE OF CONTENTS

	<u>PAGE</u>
General Governmental Accounting Policies	
Principles	3
Definitions	3
Fund classifications.....	6
State Accounting Policies and Procedures	
Promulgation	7
Controller's Office liaison	7
Policies	
Prepaid expenses	7
Deferred revenue	8
Interagency billing claims and journal vouchers	9
Federal revenues and expenditures	9
Fixed assets	12
Payroll overpayment.....	14
Replacement of property/equipment	15
Additional Guidance	
Account coding structure.....	16
Accounting for pass-through resources.....	17
Accounting for miscellaneous receipts and sales	17
Petty cash funds	19
Outside bank accounts	20
Safekeeping devices	20
Debts due the state.....	20
Revenue receivable	21
Standard Chart of Accounts	
Classification of general ledger accounts	25
Chart of accounts, explanation.....	25
Use of general ledger accounts within classification system.....	25
General ledger summary chart of accounts and definitions.....	26

ACCOUNTING POLICIES AND PROCEDURES

GENERAL GOVERNMENTAL ACCOUNTING POLICIES

PRINCIPLES

In adopting the State Accounting Procedures Law (NRS 353.291), it is the Legislature's intent to establish an accounting system that:

1. Presents fairly and with full disclosure the financial position and the results of financial operations of the funds of the state in conformity with generally accepted accounting principles; and
2. Determines and demonstrates compliance with legal and contractual requirements related to finance.

The state accounting system operated by the Controller records and reports all monies received and disbursed by the state agencies. This is accomplished through the timely recording of deposits and disbursements within an accounting structure that adheres to the legal/budgetary requirements. State officers, boards, commissions and department heads are to provide the information necessary for the Controller to report the financial position and results of operations of the State's funds (NRS 353.3245).

DEFINITIONS

1. "Accounting System" means the total structure of records and procedures which discover, record, classify, summarize and report information on the financial position and results of operations of the state's funds and organizational components.
2. "Accrual Basis" means the basis of accounting, which records the financial effects on a government of transactions, events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government. The accrual basis of accounting is used by proprietary funds and fiduciary funds.
3. "Activity" means a specific and distinguishable line of work performed by one or more organization components of a governmental unit for the purpose of accomplishing a function for which the governmental unit is responsible.
4. "Appropriation" is a legal authorization granted by the Legislature to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and the time during which it may be expended.
5. "Authorization" is an appropriation generally supported by specific earmarked resources.
6. "Budget" is a plan of financial operation embodying an estimate of proposed expenditures

ACCOUNTING POLICIES AND PROCEDURES

for a given period and the proposed means of financing them. The term "budget" is used to designate both the preliminary financial plan presented to the Legislature and the plan finally approved.

7. "Budgetary Accounts" means those accounts used to record the formally adopted annual operating budget in the accounting system as part of the management control technique of formal budgetary integration.
8. "Cash Basis" means the basis of accounting under which transactions are recognized only when cash is received or disbursed.
9. "Encumbrance" means an obligation in the form of a purchase order, contract or salary commitment for which an estimated amount has been reserved but the actual goods or services have not yet been received.
10. "Expenditure" means a decrease in financial resources of a governmental fund other than through interfund transfers. Expenditures include the cost of goods delivered or services rendered whether paid or unpaid, payment of principal and interest on general long-term debt, and capital outlays. For financial reporting, the term does not include an encumbrance.
11. "Expense" is an outflow or other use of assets or incurring of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations. The term is generally associated with the outflows of proprietary funds or funds that have the same basis of accounting as a proprietary fund.
12. "Fiscal Year" means the twelve-month period at the end of which a governmental unit determines its financial position and the results of its operations. The State's fiscal year ends on June 30.
13. "Function" means a group of related activities aimed at accomplishing a major service or regulatory program for which a governmental unit is responsible.
14. "Fund" means an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities, and residual equities or balances, and changes therein, which are segregated to carry out specific activities or attain certain objectives in accordance with special regulations, restrictions, limitations or laws.
15. "Fund Balance" means the excess of assets over liabilities in a governmental fund.
16. "General Ledger Accounts" means all accounts necessary to record the financial activity and set forth the financial position and results of operations of a fund.

ACCOUNTING POLICIES AND PROCEDURES

17. "Lapse" as applied to an appropriation means the automatic termination of such appropriation within a fund.
18. "Liability" means a debt or other legal obligation arising out of a transaction in the past, which must be liquidated, renewed, or refunded at some future date.
19. "Modified Accrual Basis" means the accrual basis of accounting used by governmental funds. Under it, revenues are recognized when they become susceptible to accrual, that is, when they become both "measurable" and "available" to finance expenditures of the current period. "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized when the fund liability is incurred except for:
 - A. Inventories or materials and supplies that may be considered expenditures, either when purchased or when used, and
 - B. Prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed.
20. "Restricted Revenue" means revenue:
 - A. Which is restricted by law or by contract under which such revenue is accepted for specified activities; and
 - B. Which is authorized by the Legislature to be deposited to the credit of the department, institution or agency which assessed it or received it to be expended for the specific activities.
21. "Revenue" means the increase in equity during a designated period of time resulting from:
 - A. Additions to assets which do not increase any liabilities or represent the recovery of an expenditure; and
 - B. The cancellation of liabilities without a corresponding increase in other liabilities or a decrease in assets.

If the funds are kept on the modified accrual basis, the additions must be measurable and available to finance expenditures of the fiscal period.
22. "Reversion" as applied to an appropriation means the return of the unused amount of the appropriation to the fund from which appropriated.
23. "Unrestricted Revenue" means a source of revenue of which the expenditure is fully available for legislative appropriation. The Legislature may make appropriations only to those functions authorized by the law establishing each fund.

ACCOUNTING POLICIES AND PROCEDURES

FUND CLASSIFICATIONS

1. *Governmental Funds* - Use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Governmental funds include:
 - A. *General Fund* - Accounts for all resources except for those resources that must be accounted for in a special purpose fund;
 - B. *Special Revenue Funds* - Account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes;
 - C. *Capital Projects Funds* - Account for the acquisition or construction of major capital projects other than those financed by proprietary funds;
 - D. *Debt Service Funds* - Account for the accumulation of resources for, and payment of, interest and principal on general long-term debt; and
 - E. *Permanent Funds* - Account for resources that are legally restricted to the extent only earnings, not principal, may be spent.
2. *Proprietary Funds* - Are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Proprietary funds include:
 - A. *Enterprise Funds* - Account for those operations that are financed and conducted in a manner similar to private business or when the Legislature has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability; and
 - B. *Internal Service Funds* - Account for operations that provide services to other departments or agencies of the state or other governments, on a cost-reimbursement basis.
3. *Fiduciary Funds* - Account for assets held by the state in a trustee capacity or as an agent on behalf of others. Fiduciary funds include:
 - A. *Pension Trust Funds* - Accounts for public employee retirement systems;
 - B. *Investment Trust Funds* - Accounts for external portion of investment pools reported by the sponsoring government;
 - C. *Private-purpose Trust Funds* - Accounts for trust arrangements under which principal and income benefits individuals, private organizations or governments;

ACCOUNTING POLICIES AND PROCEDURES

- D. *Agency Funds* - Account for assets that the state holds for others in an agent capacity. They are custodial in nature and do not present results of operations.

STATE POLICIES AND PROCEDURES

PROMULGATION

The Controller is responsible for the administration of the provisions of the State Accounting Procedures Law, and in this capacity provides and maintains the state accounting system which produces financial statements, budgetary reports, and management reports both statewide and agency by agency. The responsibility for promulgating and establishing accounting policy rests with the Controller.

CONTROLLER'S OFFICE LIAISON

The Controller's Office has assigned an accountant to each agency throughout the state to serve as a liaison regarding the application and interpretation of accounting policies to specific transactions. A list of liaisons for each agency is located at <http://controller.nv.gov/>. Liaison accountants can be reached at 684-5750.

POLICIES

PREPAID EXPENSES

Statement of Policy: Prepaid expenses will be allowed during the last month of the fiscal year when one of the following occurs:

1. It is necessary to have a check to the vendor by the first week of July.
2. A payment will result in substantial savings to the state.

If it is necessary to incur a prepaid expense *prior* to the last month of the fiscal year, contact your liaison accountant.

Purpose: To record prepaid expenses at end of fiscal year.

Reference: NRS 353.3245 Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Organizations: This policy applies to all state agencies using the central accounting system.

Procedures: 1. The initiating agency will prepare a current year voucher charging balance sheet account 1735 "prepaid expenses", at the fund level

ACCOUNTING POLICIES AND PROCEDURES

only.

2. A future year journal voucher must be submitted to the Controller's Office at the same time.
 - A. Debit the expense to the proper budget account.
 - B. Credit balance sheet account 1735.
 - C. Reference the original voucher document number in the line description.
3. Controller's Office will not process a journal voucher until the official opening of the new year.

DEFERRED REVENUE

Statement of Policy: State agencies must record deferred revenue when appropriate.

Purpose: To properly record deferred revenue and recognize revenue in the correct fiscal year.

Definition: Deferred revenues are liabilities arising from transactions in which an asset is recognized, but the revenue recognition criteria have not been met. For example, money has been received for goods or services to be delivered at a future date. The obligation to deliver goods or services at a future date is the liability.

Reference: NRS 353.3245 Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Organizations: This policy applies to all state agencies using the central accounting system.

Procedures:

1. Before recording a deferred revenue, the agency must contact their accounting liaison in the Controller's Office to determine or confirm that the revenue should be deferred.
2. A current year deposit receipt is prepared crediting balance sheet account 2303, "future year deposits", at the fund level only.
3. A future year journal voucher must be submitted to the Controller's Office at the same time:
 - A. Debiting balance sheet account 2303;
 - B. Crediting the revenue to the budget account; and
 - C. The document description must reference the original deposit receipt document number.

ACCOUNTING POLICIES AND PROCEDURES

4. Controller's Office will not process a future year journal voucher until the official opening of the new fiscal year.

INTERAGENCY BILLING CLAIMS AND JOURNAL VOUCHERS

Statement of Policy: Interagency transactions must be made on billing claims or journal vouchers and need to be processed as exclusively interfund or exclusively intrafund; no mixtures on the same document are allowed. Checks to other State agencies are only allowed when making a payment to a State agency outside bank account.

Purpose: To eliminate intrafund transactions at the fund level.

Reference: NRS 353.3245 Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Organizations: All state agencies using the central accounting system.

Procedures: An intrafund document must use the same fund number coding on all lines in both the debit and credit portions.

A document is interfund when the fund number coding in the debit portion is different from the fund number in the credit portion. Several different fund numbers may be used on an interfund document as long as all the debits are different fund numbers from all the credits.

If you need help in distinguishing between the two types of documents, contact your assigned accountant.

A document mixing these two types of transactions will be rejected or reversed.

FEDERAL REVENUES AND EXPENDITURES

- Statement of Policy:
1. All state agencies that are recipients (either prime or sub) of federal assistance must identify the receipt and use of the assistance. The identification must incorporate the Catalog of Federal Domestic Assistance (CFDA) number and be reflected in the records of the state central accounting system or another accounting system approved by the Controller.
 2. State agencies should use the appropriate accounts to record the movement of resources from one agency to another.
 - A. If there is a recipient to sub-recipient relationship, both agencies should use transfer general ledger accounts to move the resources

ACCOUNTING POLICIES AND PROCEDURES

from one agency to the other; *specifically, the agency transferring out must use object 9005 and the agency receiving the transfer must use object 4620.* Both agencies should identify the receipt, transfer and expenditure transactions with the CFDA number of the original grant.

- B. If the receiving agency is acting as a vendor, the originating agency should use an expenditure general ledger account and the receiving agency should use a non-federal revenue general ledger account to record a charge for goods or services. The originating agency should identify the expenditure of federal resources using the CFDA number. The receiving agency does not need to identify the transactions for federal tracking.
- C. If the receiving entity can be classified as a fiscal agent, the originating agency should use a transfer general ledger account when it sends money to the fiscal agent. An expenditure occurs when the funds are paid out by the fiscal agent. The originating agency should identify the transfer of federal resources using the CFDA number.

Purpose: To establish a policy on when to recognize the expenditure of federal money as it is moved between state agencies so the state can comply with the federal Single Audit Act and the Cash Management Improvement Act (CMIA).

References: NRS 227.140. The Controller may adopt regulations to comply with federal laws.

NRS 353.3245. Generally accepted accounting principles are followed. The Controller is to be provided with accounting information.

CMIA 1990 31 CFR part 205. Rules and procedures for the transfer of funds between the federal government and states for federal grants and other programs.

Public Law 98-502 (Single Audit Act of 1984) and Public Law 104-156 (Single Audit Act Amendments of 1996). Requirements for state and local governments receiving federal financial assistance.

OMB Circular A-133. Audits of states, local governments, and non-profit organizations.

Organizations: All state agencies, including University System; excluding Public Employees' Retirement System.

Definitions: 1. State agency as a sub-recipient:
A state agency is a sub-recipient¹ if it receives federal assistance from

¹OMB Circular A-133 (6/24/97) subpart A, section __.210

ACCOUNTING POLICIES AND PROCEDURES

another state agency to carry out or administer a federal program. Distinguishing characteristics of a sub-recipient include items such as:

- A. Determining the eligibility of the beneficiaries of the program and/or the activities required to carry out or administer the program;
- B. Performance is measured against meeting the objectives of the program;
- C. Responsibility for making decisions under the program;
- D. Responsibility for applicable compliance requirements; and
- E. Use of the funds to carry out a program of the sub-recipient, as opposed to providing goods or services for the use of another agency.

2. State agency as a vendor:

A state agency is considered a vendor when it has a contract to provide specific goods or services related to the administrative support of a federal program. The contract may provide goods or services for the direct use of the state agency that is a recipient of the award or for the beneficiaries of the program. Where a recipient enters into a contract to buy goods and services, the other party is not a sub-recipient for purposes of the Single Audit Act and the CMIA (although such recipient may be considered a fiscal agent). Distinguishing characteristics of an agency acting as a vendor include items such as:

- A. Providing the goods or services within normal business operations;
- B. Providing similar goods or services to other purchasers;
- C. Program compliance requirements do not pertain to the goods or services provided; and
- D. Specifications or scope of the work are defined in the procurement contract by the recipient state agency.

3. Fiscal Agent:

A fiscal agent of the state is an entity that pays, collects or holds federal funds on behalf of the state for a federal program, excluding private non-profit community organizations. The CMIA includes fiscal agents in its definition of a state².

²CMIA 1990 31 CFR part 205.3

ACCOUNTING POLICIES AND PROCEDURES

FIXED ASSETS

- Statement of Policy: Record assets in a manner to demonstrate accountability, demonstrate stewardship and to allocate costs when applicable.
- Purpose: To outline procedures and policies necessary for the accountability and reporting of fixed assets.
- References: NRS 353.3245. Generally accepted principles of accounting to be followed; Controller to be provided with information for accounting.
- NRS 353.321. Categories of funds: Reporting; accounting; assignment by Controller.
- Organizations: All state agencies.
- Capitalization Classes:
1. Infrastructure assets: Assets belonging to the public as a whole, such as highways, easements, rights-of-way, sewer systems, etc.
 2. Land: All land acquisitions, including land acquired for infrastructure, are to be capitalized and must be reported to the Controller.
 3. Buildings and building improvements: All building acquisitions or building improvements of \$100,000 or more are to be capitalized. (Note: Improvements are not maintenance or replacement items - e.g. carpets, furnaces, etc.)
 4. Improvements other than buildings: All such improvements that have an expected life greater than one year and a cost of \$100,000 or more are to be capitalized.
 5. Furniture and equipment: All furniture, equipment *and computer software* with an expected life greater than one year and a cost of \$5,000 or more per unit are to be capitalized. There are gray areas of classification. For example, if separate components costing less than \$5,000 are put together to create a system costing more than \$5,000, the system should be capitalized. If you are not sure whether or not something should be capitalized, consult with the liaison accountant in the Controller's Office.
 6. Construction in progress: The portion of construction contracts of \$100,000 or more paid during a fiscal year on buildings/building improvements, or \$100,000 or more on improvements other than

ACCOUNTING POLICIES AND PROCEDURES

buildings are to be recorded at fiscal year end. On completion of the construction project, the total cost of the project should be reclassified to buildings or improvements other than buildings.

Reporting Policy:

1. All capitalizable fixed assets bought through Purchasing Division will automatically create a fixed asset shell in the Advantage Fixed Asset Subsystem, as long as the correct commodity code is used. Purchasing staff will complete and finalize the fixed asset shell once all documents related to the purchase have processed, resulting in a fixed asset record.
2. For non-taggable fixed assets bought through Purchasing Division that meet the Controller's \$5,000 capitalization threshold, the Controller's office accounting staff will create a fixed asset record in Advantage and assign a fixed asset number beginning with 'MISC'.
3. For computer software purchases with a cost of \$5,000 or more coded to '7770' (Computer Software), the agency will need to forward a copy of the invoice to their accounting liaison in the Controller's Office, along with the location code for the software. For any software meeting capitalization criteria, Controller's Office accounting staff will create a fixed asset record in Advantage to record the software, and assign it a fixed asset ID number beginning with 'SOFT'.
4. For taggable fixed assets not bought through Purchasing Division (non-Purchasing PV and no PC reference document), it is the agency's responsibility to forward a copy of the invoice and a completed Property Disposition Report to Purchasing Property Management staff so a tag can be issued and a fixed asset record created in Advantage.
5. Leased assets *or assets acquired by installment purchase*, should be capitalized and reported to the Controller upon acquisition if the lease meets the criteria as established in the Statement of Financial Accounting Standards, No. 13. Determination will be made by the Controller's Office if the criteria are met. However, the agency must provide a copy of the lease *with all attachments* to their accounting liaison in the Controller's Office. In addition, the agency is responsible for filing IRS form 8038G or 8038GC for all leases determined to be capital leases. A copy of the form filed with the IRS is to be sent to the accounting liaison at the Controller's Office.

ACCOUNTING POLICIES AND PROCEDURES

6. Donated assets should also be reported if fair value upon receipt exceeds the minimum value as stated in the capitalization classes.

PAYROLL OVERPAYMENT

Statement of Policy: Personnel/Payroll should be notified immediately upon discovery of any overpayment and especially when there has been a termination of employment.

Purpose: To increase the likelihood of recovery when an overpayment of salary or benefits has occurred.

Reference: NRS 227.230 through 227.270, inclusive. Recovery of money due state.
Organizations: This policy applies to all state agencies.

Procedures: Current employee:

1. Agency should notify Payroll of overpayment by next pay period.
 - A. The employee must be notified of the overpayment in writing.
 - B. If employee is still with agency, and the overpayment is not disputed, the overpayment should be resolved by adjustment in next pay period.
2. If the employee disputes the overpayment, the employee may request a hearing with the State Controller within 10 days of receipt of the overpayment letter. (NRS 227.150)

Terminated employee:

1. Agency should notify Payroll immediately upon discovery.
2. The agency will send a certified letter to the overpaid terminated employee at the last known address informing them of the debt owed and that if the debt is not resolved their account will be referred to a collection agency.
3. If the letter is returned, the account should be referred to Payroll and determination made regarding whether the debt is uncollectible. If it is determined to be uncollectible, the Controller should be notified.
4. The Controller will review the matter to determine appropriate action to be taken, including accepting payment options or turning over the debt to private collection agencies.
5. In cases of disputed debt, the Controller will review the matter with the Attorney General to determine the appropriate action to be taken.

ACCOUNTING POLICIES AND PROCEDURES

6. Attorney General will be directed to pursue prosecution for recovery of the funds if other collection methods are not successful. The Controller will provide the Attorney General with the certified paperwork to use in the prosecution.
7. Attorney General will notify Controller's Office of any suits filed in small claims court at time of filing, or files they are closing as uncollectible.

REPLACEMENT OF PROPERTY/EQUIPMENT

Purpose: To provide accountability for replacement of personal property/equipment when there is an insurance disbursement.

References: NRS 353.319 Administration of Law; NRS 353.3245 (2) Controller to be provided with information for accounting.

Organizations: All agencies using central accounting system.

Procedures:

1. If an agency purchases replacement equipment and receives insurance reimbursement:
 - A. Agency charges normal equipment object within own budget.
 - B. When reimbursement is received within the same fiscal year that the replacement is made, a journal voucher is completed:
 1. Debiting Risk Management object 8819 for the loss net of deductible (reimbursement amount).
 2. Crediting the agency's normal equipment object.
 - C. When reimbursement is received in a different fiscal year, a journal voucher is completed:
 1. Debiting Risk Management object 8819 for the reimbursement amount, and
 2. Crediting miscellaneous revenue source 4254 in the agency's fund.
2. If Risk Management purchases and pays for replacement equipment for an agency:
 - A. A claim recording the purchase should be charged against Risk Management object 8819, and
 - B. A journal voucher should be processed for the deductible amount:
 1. Debiting an agency's normal equipment object, and
 2. Crediting Risk Management object 8819.

ACCOUNTING POLICIES AND PROCEDURES

ADDITIONAL GUIDANCE

ACCOUNT CODING STRUCTURE (for the Advantage System documents)

1. *Fund* - is a three-digit code, which identifies the fund in which the activity is taking place. A fund number is required on all transactions. The Controller's Office sets up all new fund numbers.
2. *Agency* - is a three-digit code assigned to each department or division. An agency number is required on all transactions. New agency codes are established through the Budget Division in conjunction with the Controller's Office.
3. *Organization (Org)* - is a four-digit code. If your agency does not use organization, you must fill in four **ZEROS (0000)** in the Org field. New organization codes are established through the Controller's Office at the request of the agency.
4. *Sub-Organization (Sub-Org)* - is a two-digit code. This is not a required field. New Sub-Organization codes are established through the Controller's Office at the request of the agency, and are assigned to an existing agency and organization combination.
5. *Appropriation Unit* - is a six-digit code, which identifies the budget account and category in which the activity is taking place. All expense/expenditure transactions and revenue transactions require an appropriation unit. New budget accounts requiring legal authority are established through the Budget Division, Department of Administration. The following categories are established automatically when a budget account is set up:

01	Personnel Services
02	Out-of-State Travel
03	In-State Travel
04	Operating
05	Equipment
06	Buildings, Land and Improvements
26	Information Technology
30	Training

Other categories may be used, but must be set up to a budget account in advance. New category codes are established by the Controller's Office in cooperation with the Budget Division.

Appropriation units for budget accounts for transactions not requiring legal authority are established by the Controller's Office in the 6XXX series.

6. *Object* - is a four-digit code, which identifies the appropriate expense/expenditure or disbursement GL from which an expenditure is being made. All transactions require a

ACCOUNTING POLICIES AND PROCEDURES

general ledger code for either an object, revenue source, or balance sheet account.

7. *Sub-object* – is a two-digit code used to further identify objects. This is not a required field. Generic sub-object codes from 01 to 99 are established in conjunction with all objects. If an agency chooses to utilize sub-objects, they are responsible for internally defining the sub-object codes used.
8. *Revenue Source* – is a four-digit code, which identifies the appropriate revenue GL to which a deposit/receipt is being made. All transactions require a general ledger code for either an object, revenue source, or balance sheet account. Revenue and receipt accounts are established by the Controller's Office in cooperation with the Budget Division.
9. *Sub-revenue source* – is a two-digit code used to further identify revenue sources. This is not a required field. Sub-revenue sources are set up by the Controller's Office at the request of the agency, and are assigned to an existing revenue source.
10. *Balance sheet account* – is a four-digit code, which identifies the asset, liability, or fund balance/equity account being debited or credited. All transactions require a general ledger code for either an object, revenue source, or balance sheet account.
11. *Job Number* - is a one to eight character alpha/numeric code. All transactions involving federal funds require a job number, in which the first five characters must be the CFDA number. If desired, three additional characters may be added to further identify the transaction. The job numbers are set up through the Controller's Office.

ACCOUNTING FOR PASS-THROUGH RESOURCES

When the state receives money on behalf of a third party recipient, pass-through (translating) general ledger account numbers are used to record the receipt and subsequent disbursement. This is necessary to avoid recording revenue and expenditures at the fund level when the state is merely acting as an agent in receiving and disbursing cash.

Receipts should be posted to a translating revenue source number between 4500 and 4599, disbursements to a translating object number between 9170 and 9699. Pass-through receipt and disbursement general ledger accounts should not be used without first contacting your liaison accountant in the Controller's Office.

ACCOUNTING FOR MISCELLANEOUS RECEIPTS AND SALES

Since the passage of the Administrative Procedures Act by the 1965 Legislature, many agencies are now required to make their rules and regulations available to the public at a reasonable charge. Other agencies are also involved in some type of sales to the public or other state agencies.

ACCOUNTING POLICIES AND PROCEDURES

To provide standardization in handling sales revenues, enhance internal control, and ensure auditable records, the following or similar procedures should be used:

1. *Utilization of receipt forms:*
 - A. Agencies should use receipt forms that are numerically sequenced.
 - B. Receipts should be written when currency and/or coin are received by mail.
 - C. All receipt numbers should be accounted for. Voided or spoiled receipts should be maintained intact in serial sequence.
 - D. Adequate explanations should be made on all voided receipts and this information should be verified by a person not responsible for the voiding.
2. Receipts should be deposited daily and intact with a bank as the agency's regulations or NRS require. Under no circumstances should collections remain undeposited for more than five working days. Receipts should never be held because an accountability has not been ascertained. Agencies holding collections beyond the date received must have safes, vaults, money chests, or a comparable safekeeping device that is adequate to safeguard cash.
3. Receipts should be summarized periodically and accounted for by type (pamphlet sales, reproduction, etc.).
4. Adequate records should be maintained so that deposits can be reconciled to sales and receipts.
5. If the product sold by the agency can be inventoried, then adequate inventory records should be maintained to identify and control losses.
6. Sales and miscellaneous receipts should not be co-mingled with other cash such as petty cash.
7. Employees holding sales receipts should keep in mind that these are state funds and, as such, are subject to audit as are other state funds.
8. In agencies where there is a substantial volume of sales, the functions of receiving cash, accounting, and depositing of funds should be segregated between employees to provide adequate internal control.
9. All checks, money orders and warrants received for deposit should be restrictively endorsed for deposit as soon as practicable after receipt, but no later than at the end of the working day. If the payee space is blank on any instrument received for deposit, the agency's name should be entered immediately.

ACCOUNTING POLICIES AND PROCEDURES

Endorsement stamps should set forth at least the following:

State of Nevada
Agency Name
Bank Account Number
For Deposit Only

10. *Agencies should **not**:*
 - A. Make disbursements from receipts except when specifically provided for by law. If it is necessary to make change, a petty cash fund should be established through the Board of Examiners;
 - B. Withhold receipts for the purpose of establishing or augmenting change funds;
 - C. Cash checks for employees; or
 - D. Send currency or coin through the mail.
11. All receipts of state money, which are not expressly required by law to be received and kept by some other depository, shall be deposited in a Treasurers' designated depository.
12. In order to minimize the possibility of having receipts misappropriated, agencies should attempt to avoid handling receipts that are in the form of currency or coin whenever possible. In an effort to avoid handling currency or coin, agencies should encourage payors to make payments by check, if feasible. Checks should be made payable to the appropriate state agency or to the State of Nevada.
13. As a general principle, agencies will accept personal checks to prevent inconvenience to the public. However, agencies may require payment by cash, certified check, cashier's check or money order when:
 - A. Services or materials cannot be withdrawn if the check is dishonored by the bank and the services or materials are furnished to other than well-established firms or well-known persons; or
 - B. The payor previously gave the agency a check that was dishonored by the bank.

PETTY CASH FUNDS

The State Board of Examiners may authorize the establishment of a petty cash account of not more than \$250 for a state agency out of the agency's budgeted funds (NRS 353.252).

Petty cash funds should be maintained on an imprest basis and should remain at the amount established by the Board of Examiners. From time to time, as necessary, the fund may be reimbursed from the agency's regular funds by a voucher payable, made out to the agency petty cash fund in care of the administrator in charge of the fund, i.e., Department of Transportation petty cash in care of John Doe, custodian. The voucher payable should have attached as backup all receipts for which reimbursement is being claimed.

ACCOUNTING POLICIES AND PROCEDURES

Petty cash funds should be used only for the purpose for which the fund was established and never used to circumvent the normal process of purchasing. For fiscal reporting purposes, use translating object 9742 to establish new petty cash funds. Use normal expenditure objects to replenish funds. To close a petty cash fund, use translating revenue source 4459.

OUTSIDE BANK ACCOUNTS

A state agency must first obtain the approval of the Board of Finance before opening an account in a financial institution. A financial institution can be a bank, credit union, savings and loan association or a brokerage house, etc. The Board of Finance approval is not required where the agency account is specifically authorized by Statute (NRS 356.011). An agency with such authorization must adhere to the following criteria:

1. Open the account in the State of Nevada's name. However, the agency's name and the agency program may also be added;
2. Submit the name of the account and name of the financial institution to the Treasurer for record keeping purposes; and
3. Submit, quarterly, and at the end of each fiscal year, a reconciliation of the account to the Controller for annual reporting purposes.

The Treasurer's office should be contacted (684-5600) for information and guidance on the type(s) of accounts to open and how to disburse interest earnings according to statute or regulation.

SAFEKEEPING DEVICES

The following standards apply to safes, vaults, or other safekeeping devices housing either cash or valuable documents:

1. Entry to the device should be limited to as few people as possible consistent with agency's operating requirements;
2. A record will be kept showing the date the combination or lock was changed and the names of the people having the present combination or having possession of keys to the lock; and
3. The combination will be changed when it becomes known to an excessive number of employees or if any employee having knowledge of the combination leaves the employ of the agency. In the case of key-operated devices, the lock should be changed when an employee having a key to the device leaves the employ of the agency.

DEBTS DUE THE STATE

The Controller must be notified and furnished periodic reports of debts owed to agencies (NRS 353C.120).

When an agency determines a debt due the State to be uncollectible, that agency may authorize,

ACCOUNTING POLICIES AND PROCEDURES

through interlocal agreement, the Controller to act as the collection agent for that agency (NRS 353C.195) or the agency may choose to negotiate a contract supplemental to the Controller's contract with private debt collection companies.

Agencies may request the Controller put a vendor 'on hold' that owes a debt to the State. All future payments owed that vendor will be intercepted until the debt to the agency is satisfied (NRS 353C.190, NAC 353C). In cases of disputed debt, the Controller will review the matter with the Attorney General to determine the appropriate action to be taken (NRS 227.230 and 227.240).

REVENUE RECEIVABLE

Any agency that uses an invoicing and billing procedure shall record the revenue receivable from those billings in the central accounting system of the State (NRS 353.3235) and report the information on a quarterly basis to the Controller. The following are guidelines for recording, managing, collecting, and reporting accounts receivables.

Accounts Receivable represent fees, taxes, gaming revenues, interest income, charges for services, or other obligations owing to the State of Nevada. For purposes of reporting receivables in the central accounting system of the State and to the Controller, agencies shall record revenue receivable using the accrual basis of accounting. Thus, a receivable should be recognized as revenue as soon as it is earned. For purposes of Accounts Receivable Management, other debts and obligations owing to the State of Nevada, such as penalties and returned checks, should also be recorded and monitored by the agency. Each agency must establish a definition of accounts receivable based on the type of revenue they collect and the statutory requirements associated with its collection.

Methods and procedures adopted by agencies to ensure amounts owed are collected should meet the following minimum guidelines:

1. Segregation of Duties
 - A. Responsibilities for billing, collecting receipts, posting amounts to the accounts receivable ledger, and reconciling these transactions should be segregated among individuals whenever possible.
 - B. "Returned" checks should be followed up on by an individual independent of processing and recording cash receipts.
2. Billings
 - A. Each agency should establish a minimum billing amount.
 - B. Billings should be prepared at least once a month unless specified otherwise in the statutes.
 - C. Billings should clearly set forth the following terms and conditions for payment:

ACCOUNTING POLICIES AND PROCEDURES

1. Due date.
 2. Date when amount is past due.
 3. Interest and penalties, when specifically allowed by statutes.
 4. Contact information to allow questions and disputes to be resolved in a timely manner.
- D. Billing invoices, credit memos, and other billing adjustments should be prenumbered to the extent practical and the numeric sequence of all documents accounted for on a periodic basis.
- E. Billings should be reviewed for accuracy by an individual independent of preparing the billing.
- F. Credit memos and other billing adjustments should contain adequate explanations and be verified by supervisory personnel.
- G. Copies of agency billing records shall be maintained in customer files.
- H. Tax returns, billing invoices, credit memos, and other billing adjustments should be routed as soon as practical to individuals responsible for posting to customer accounts.
3. Cash Receipts - Customer remittance advices, tax returns, applications, or other records accompanying receipts should be forwarded to individuals responsible for posting to customer accounts as soon as practical. Individuals processing accounts receivable transactions should not have access to the cash or checks that accompany customer payments.
4. Accounts Receivable Subsidiary Ledger
- A. An accounts receivable subsidiary ledger or similar internal record shall be maintained that includes the following for each customer and the totals for the agency:
 1. Beginning balance
 2. Charges for services (i.e., amounts billed)
 3. Payments (i.e., collections)
 4. Outstanding Balance
 - B. An agency's accounts receivable records should also track the following information regarding the debtor:
 1. Name
 2. DBA's if applicable
 3. Federal employer identification number, Social Security number, or driver's license number
 4. Agency account number or license number

ACCOUNTING POLICIES AND PROCEDURES

- 5. Mailing address and physical address, if different
- 6. Phone number

- C. Postings to the accounts receivable subsidiary ledger should be authorized by appropriate documents such as tax returns, billing invoices, customer remittance advices, credit memos, write-off memos, etc.
- D. Any adjustments to customer accounts shall be reviewed by supervisory personnel and documented in agency records.
- E. The Accounts Receivable Subsidiary Ledger should facilitate tracking the amounts billed, collected and outstanding on customer accounts, and should be updated and reviewed by management at least monthly.
- F. Statements of accounts receivable should be mailed at least monthly.
- G. In a computerized accounts receivable system, system controls concerning password protection to limit access to specific functions, and additions to and deletions from customer records should exist.

5. Aged Accounts Receivable

- A. To identify any overdue balances, an aged receivables trial balance of the accounts receivable subsidiary ledger shall also be maintained.
- B. The aged trial balance of accounts receivable shall list each customer's balance with columns to show the age of the unpaid invoices (i.e., 30 days, 60 days, 90 days, over 90 days old).
- C. The aged trial balance of accounts receivable should be reviewed monthly by supervisory personnel with appropriate collection effort.

6. Collection Efforts

- A. Agencies are encouraged to pursue outstanding accounts receivable in the following manner unless otherwise specified in the statutes:
 - 1. 30 days delinquent, issue first request for payment letter.
 - 2. 60 days delinquent, issue final request for payment letter.
- B. Other effective collection actions include phone calls, arranging for payment plans, credit reporting and collection agencies.
 - 1. An agency may enter into an agreement with a debtor that provides for the payment of an outstanding accounts receivable to the agency on an installment basis over a 12-month or lesser period. Upon good cause shown by the debtor, the agency may extend the period during which installment payments will be made for more than a 12-month period (NRS §353C.130).

ACCOUNTING POLICIES AND PROCEDURES

2. An agency may enter into a contract for the assignment of the collection of a debt as prescribed in NRS §353C.200. Any such contract must be approved by the Director of the Department of Administration and the State Controller.
- C. Delinquent accounts greater than 60 days should be pursued for collection in the following manner:
 1. Determine whether warrant offset (NAC 353C) or deduction is appropriate.
 2. General collection remedies are described in NRS §353C including the usage of a debt collection agency and procedures to request the State Controller to act as the collection agent for an agency.
 3. Statute of limitations may apply to certain collection efforts available on an agency's accounts. For guidance in statute of limitations see NRS §11.190.
- D. To maximize collection efforts most effectively and efficiently, each agency must set a minimum dollar threshold of accounts receivable over 60 days delinquent to proceed for collection.
- E. An individual independent of recording accounts receivable should investigate and resolve disputed amounts reported by taxpayers or customers.
- F. Agencies shall maintain sufficient records to document their collection efforts.

7. Write-Offs of Accounts Receivable

- A. Accounts receivable should be valued at net realizable value, that is, the amount that will be collected on the outstanding receivables.
- B. Delinquent accounts greater than 90 days should be reviewed and considered for write-down or write-off unless otherwise specified in the statutes.
- C. If an agency determines that it is impossible or impractical to collect on the outstanding receivables, the agency may request the Board of Examiners to designate the debt as a bad debt (unless your agency has a specific statute granting authority). Typically, write-downs and write-offs should occur when collection efforts have been exhausted, amounts are considered uncollectible, or are lower than the minimum threshold established by an agency.
- D. Write-downs and write-offs should be approved at the agency level by an individual independent of collecting and posting accounts receivable transactions.
- E. All write-downs and write-offs must be approved by the Board of Examiners, unless otherwise authorized by a specific statute.

ACCOUNTING POLICIES AND PROCEDURES

- F. The Controller's Office shall be notified of accounts that have been written off and shall direct the removal of the debt from the books of account of the State of Nevada.
- G. Payment on accounts previously written down or written off shall be recorded as revenue in the year of receipt.

8. Reconciliations

- A. Total collections on accounts receivable shall be reconciled against postings to individual receivable accounts preferably on a weekly basis, however at least monthly.
- B. Accounts receivable trial balances shall be reconciled to the Controller's Financial System at least annually.

STANDARD CHART OF ACCOUNTS

CLASSIFICATION OF GENERAL LEDGER ACCOUNTS

A classification system is a basic component of any accounting system so general ledger accounts flow in an orderly manner into the various fiscal reports which are produced. General ledger accounts are grouped into assets, liabilities, equity, revenues, expenditures/expenses, or pass-through receipts or disbursements.

CHART OF ACCOUNTS, EXPLANATION

A chart of accounts lists in numerical order, the accounts included within the classification system. It is used to determine which general ledger account numbers should be used to code transactions being processed.

USE OF GENERAL LEDGER ACCOUNTS WITHIN CLASSIFICATION SYSTEM

All transactions are processed as revenues, receipts, expenses/expenditures, or disbursements, in order to track them through the budgetary system. Generally, no fund-level transactions are allowed except in agency funds. The following overview is a brief description of revenues and expenses/expenditures. Agencies needing more information should contact the Controller's Office.

Revenues, depending upon the type of fund (governmental or proprietary), are accounted for either when earned or when measurable and available. Revenue general ledger accounts are normally requested by the Department of Administration. The Controller then approves and establishes them in the state accounting system.

Expenditures are accounted for in governmental fund types when a liability is created.

ACCOUNTING POLICIES AND PROCEDURES

Expenses are recorded in proprietary fund types when they are incurred. Expense/expenditure general ledger accounts are classified by object based upon their nature rather than by the purpose for which they were incurred. Agencies are required to select the expense/expenditure general ledger account which most closely describes the charge being recorded.

Agencies can request an alternate description for revenues and expenditures within a specific budget account. Contact your accounting liaison to make such requests.

GENERAL LEDGER SUMMARY CHART OF ACCOUNTS AND DEFINITIONS

A summary of general ledger accounts is listed below. More detail and definitions can be found starting on page 30. Definitions given are basic and not limited only to examples cited.

NOTE: This summary Chart of Accounts is not all-inclusive. Assets, liabilities, revenues/receipts, and expenses/expenditures/disbursements all have expanded titles within the ranges indicated. The titles for all general ledgers, as well as the Internal Revenue Service 1099 reporting status for expenses/expenditures, are available in the Data Warehouse of Nevada (DAWN), <http://washoe.state.nv.us> under Chart of Accounts. Please note not all general ledger codes within a series are active. The series represent a group of designated codes for certain transactions, but not all codes have been defined and established by the Controller's Office. If additional codes are needed within a series, contact the Controller's Office liaison assigned to your agency.

General Ledger Account Numbers

General Ledger Titles **ASSETS**

1000-1799	Current Assets
1800-1999	Long-term Assets

LIABILITIES, EQUITIES AND BUDGETARY ACCOUNTS

2000-2299	Current Liabilities
2300-2479	Long-term Liabilities
2480-2599	Various Budgetary and Equity Accounts
2550	Fund Balance
2554	Retained Earnings
2600-2699	Payroll Related Liabilities
2800-2899	Other Long-term Liabilities

REVENUES/RECEIPTS

3001-3299	Unrestricted Revenues
3300-4350	Restricted Revenues
4351-4355	Expense/Expenditure Reductions
4401-4499	Translating/Asset Reductions (<i>Contact Controller's first</i>)
4500-4599	Translating/Pass-through Receipts (<i>Contact Controller's first</i>)
4600-4999	Transfers and Non-operating Items

ACCOUNTING POLICIES AND PROCEDURES

EXPENSES/EXPENDITURES AND DISBURSEMENTS

Personnel Services Series

5100	Gross Salaries
5170	Seasonal Salaries
5190	Supplemental Military Pay
5200	Workers Compensation
5300	Retirement
5400	Personnel Assessment
5500	Group Insurance
5610-5650	Leave Pay
5700	Payroll Assessment
5750	Retired Employee's Insurance Assessment
5800	Unemployment Compensation
5810	Overtime Pay
5820	Holiday pay
5830	Comp Time Payoff
5840	Medicare
5841-5999	Other personnel expenses/expenditures

Travel Series

6001	Other Travel Expenses/Expenditures
6100-6108	Per Diem Out-of-State
6110	Motor Pool Out-of-State
6115	Non-Motor Pool Out-of-State
6120-6122	Auto Miscellaneous Out-of-State
6130-6133	Public Transportation Out-of-State
6140-6143	Personal Vehicle Out-of-State
6150-6153	Commercial Air Transportation Out-of-State
6160	State-owned Air Transportation Out-of-State
6170-6174	Travel Card Charges Out-of-State
6200-6207	Per Diem In-State
6210-6213	Motor Pool In-State
6215	Non-Motor Pool In-State
6220-6222	Auto Miscellaneous In-State
6230-6233	Public Transportation In-State
6240-6243	Personal Vehicle In-State
6250-6253	Commercial Air Transportation In-State
6260	State-owned air transportation In-State
6270-6274	Travel Card Charges In-State

Operating Series

7020-7029	Operating Supplies
7030-7034	Freight & Delivery Charges
7037-7039	Communication Repair Charges
7040-7049	Printing and Copying Services
7050-7059	Insurance
7060-7069	Board of Examiners Contractual Services
7070-7079	Non BOE Contract Services
7080-7089	Legal and Court Expenses/Expenditures

ACCOUNTING POLICIES AND PROCEDURES

7090-7099	Equipment Repair Services
7100-7105	State-owned Building Rental
7110-7119	Non-State-owned Building Rent
7120-7129	Advertising and Public Relations
7130-7139	Utilities
7140-7149	Maintenance of Buildings and Grounds
7150-7159	Vehicle Operation
7160-7167	Aircraft Operation
7170-7177	Clothing/Uniform/Tool Allowance
7180-7189	Medical and Dental Expenses/Expenditures
7190-7199	Stipends, Commissions and Prizes
7200-7209	Food
7220-7226	Other EDP Costs (non-DOIT)
7230-7231	Minor Improvements – Buildings/Fixtures
7240-7242	Host Fund Expenses/Expenditures
7250-7255	Buildings and Grounds Special Services
7260-7261	Taxes and Assessments
7270-7279	Interest Expenses/Expenditures
7280-7285	Postage
7290-7299	Telephone
7300-7305	Dues and Registrations
7310	Power Purchases
7320-7324	Instructional Supplies
7330-7334	Special Reports/Projects
7340-7344	Inspections and Certifications
7350-7359	Court Awards
7360	University Operations
7370-7374	Publications and Periodicals
7380-7382	Employee Moving Expense/Expenditures
7390	Credit Card Discount Fees
7391	Attorney General Cost Allocation
7392-7393	Assessments – State Agencies
7400-7409	Client Service Provider Payments
7410-7419	Client Medical Provider Payments
7420-7429	Client Material Provider Payments
7430-7439	Professional Services
7440	Interview Expenses/Expenditures
7445-7448	Scholarships
7449	Prepaid Tuition Payments
7450-7459	Contracts – State Agencies
7460-7464	Equipment Under \$1,000
7500-7502	Payments to Individuals for Services
7510-7553	DOIT charges
7560-7579	Internal Service Funds Only
7630-7639	Miscellaneous Expenses/Expenditures
7650-7659	Refunds
7750-7753	Non-State Employees In-State Travel
7760-7763	Non-State Employees Out-of-State Travel
7770-7772	Computer Software

ACCOUNTING POLICIES AND PROCEDURES

7800-7804	Nursery and Farming
7830-7835	Debt Service Funds Only
7860-787Z	NDOT In-House
7950	Rent Subsidy
7960-7963	Land/Equipment Rental
7970-7973	Materials
7980-7984	Operating Lease Expense
7990-7991	Cost Allocation Credit

Capital Outlay Series

8100	Land
8101	Non-cash Capital Improvements
8110	Easements
8120	Land Improvements
8125	Improvements Other Than Buildings
8130-814Z	Highway Construction
8150	Buildings
8151-8154	Building Improvements
8160-8199	Capital Improvement Projects

Equipment Series

8200	Water System Equipment
8210	Mobile Homes/Storage Sheds
8220	Trailers
8230	Microwave Stations and Systems
8240-8242	New Furnishings
8250-8252	Major Equipment New
8260	Boats
8270-8277	Special Equipment New
8280	Heavy Duty Trucks New
8290-8293	Telephone Equipment
8300	Aircraft
8310	Pickups/Vans New
8320-8321	Used Major Equipment
8330-8334	Office and Other Equipment
8340-8341	Special Purpose Vehicles
8350-8351	Used Furnishings
8360	Passenger Cars New
8370-8374	Computer Hardware
8380	Used Vehicles
8390-8394	Miscellaneous Equipment
8401	Major Equipment Repairs/Improvements
8410-8412	Principal Installment/Lease Purchase

Bond and Remit Series

8430	Arbitrage Payments
8470	Refunding Payments
8499	Remit to Federal Government (<i>Contact Controller's first</i>)

ACCOUNTING POLICIES AND PROCEDURES

Aid to Nevada Governmental Units Series

8501-8549	Aid to Nevada Counties and Cities
8550-8551	Aid to Nevada Boards and Commissions
8560-8599	Aid to Other Nevada Governmental Units

Aid for Education and Training Series

8601-8619	Aid for School Districts
8620-8639	Aid for Private Schools and Training Institutes
8640-8649	Aid for Institutions of Higher Education
8651	Intergovernmental Other <i>(for Controller's Office use only)</i>

Aid or Grant Series

8700-8740	Aid to Individuals
8750-8759	Aid to Private Organizations
8770-8779	Respite Care, Foster Care and Client Rent
8780-8789	Aid to Non Profit Organizations
8795-8597	Grants
8798-8799	Non Taxable Grants
8801-8999	Various Expenses/Expenditures <i>(for Controller's Office use only)</i>

Transfer and Translating Disbursement Series

9001-9169	Operating Transfers to State Agencies
9170-9699	Translating/Pass-through Disbursements <i>(Contact Controller's first)</i>
9700-9709	Translating/Inventory <i>(Contact Controller's first)</i>
9710-9744	Translating Disbursements <i>(Contact Controller's first)</i>
9760-9767	Fund Level Transfers <i>(for Controller's Office use only)</i>
9770-9827	Other Disbursements <i>(Contact Controller's first)</i>

GENERAL LEDGER ACCOUNT DEFINITIONS

ASSETS

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
1000-1799	Current assets: Resources owned or held by a government which have monetary value and will be used or converted into cash within one year.
1800-1999	Long-term assets: Resources owned or held by a government which have monetary value and will not be used or converted to a current asset within one year.

LIABILITY, EQUITY AND BUDGETARY ACCOUNTS

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
2000-2299	Current liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at a future date within one year.
2300-2479	Long-term liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded after one year.
2480-2599	Various budgetary and equity accounts: Various budgetary control accounts

ACCOUNTING POLICIES AND PROCEDURES

and general ledgers used for recording internal budgetary transactions and various equity general ledger accounts and accounts to be used for adjustments to the equity accounts. For additional information relative to these accounts, the Controller's Office should be contacted.

- 2550 **Fund balance:** The difference between fund assets and fund liabilities of governmental funds.
- 2554 **Retained earnings:** An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.
- 2600-2699 **Payroll related liabilities:** For Payroll Fund use only.
- 2800-2899 **Other long-term liabilities:** See general ledger account range 2300-2479.

REVENUES/RECEIPTS

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
3001-3299	<p>Unrestricted revenues: These revenues are for general use by State government and not restricted for use by laws or contracts. They are fully subject to legislative appropriation and support general government services. They are deposited into the General Fund (9XXX series Budget Accounts only). Classifications of unrestricted revenues include:</p> <ul style="list-style-type: none"> A. Sales and use taxes: Taxes imposed upon the sale or consumption of selected goods. B. Gaming taxes: Taxes imposed upon various gaming activities and/or receipts. C. Other taxes: Revenue from taxes on varied activities or products not specified in a separate classification. D. Licenses and Fees: Licenses and fees imposed on various businesses or activities. E. Cost Allocation Plan Recovery: Charges to non-general fund programs for cost of central services provided to those programs by agencies supported entirely through general fund appropriations. F. Charges for services: Revenues from providing services or products usually segregated under functional and activity groupings. G. Interest earnings: Revenues derived from charging for the use of money. H. Other general revenue: Miscellaneous revenue not classified under separately established definitions.
3300-4350	<p>Restricted revenue: Revenue for which the expenditure is restricted by law or contract to specified activities. Restricted revenues may include: taxes; licenses and fees; charges for services; sales; rental income; federal grants; and other revenue.</p>
4351-4355	<p>Expense/expenditure reductions: Reimbursement of a current year expense/expenditure. Note: Minor amounts should be credited against the original expense/expenditure account.</p>
4401-4499	<p>Translating/asset reductions: Any collection of a loan or other receivable. These GL's translate to a balance sheet account. <i>Contact Controller's Office for approval.</i></p>

ACCOUNTING POLICIES AND PROCEDURES

4500-4599	Translating/pass-through receipts: In-flow of assets from a source that are to be passed on for use by another entity. For more information, see guidance in section on Accounting for Pass-Through Resources. These GL's translate to a balance sheet account. <i>Contact Controller's Office for approval.</i>
4600-4999	Transfers and non-operating items: Any in-flow of assets from other funds not classifiable as revenue or pass-through receipts. <i>To be used only after contacting Controller's Office for approval.</i>

EXPENSES/EXPENDITURES/DISBURSEMENTS

5000 - PERSONNEL SERVICES SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
5100	Gross salaries: Regular salary or wages paid to State employees prior to any payroll deductions.
5170	Seasonal salaries: Salary or wages paid to seasonal State employees prior to any payroll deductions.
5190	Supplemental military pay: amounts paid to State employees on leave for active military duty.
5200	Workers compensation: Payroll assessments for Employer's Insurance Company of Nevada.
5300	Retirement: State share of retirement contributions made for each employee.
5400	Personnel assessment: The charge to each State agency, based upon employees' gross salaries.
5500	Group insurance: The charge to each State agency for group insurance premiums for its employees.
5610-5650	Leave Pay: Salary or wages paid to State employees for annual, sick, comp and other leave, prior to any payroll deductions.
5700	Payroll assessment: A charge to each State agency determined by applying a percentage to gross salaries for costs related to payroll processing.
5750	Retired employee's insurance assessment: An assessment on gross salaries to fund insurance coverage for retired employees.
5800	Unemployment compensation: An employer-paid expense charged to each State agency for unemployment compensation based on employees' gross salaries up to a maximum salary level.
5810	Overtime pay: Payments to employees for working beyond their normal hours. Includes payments for time originally recorded as compensatory time.
5820	Holiday pay: Salary or wages paid to employees for legal holidays.
5830	Comp time payoff: Wages paid to State employees for compensation of overtime for which compensatory time off was originally accrued but not taken.
5840	Medicare: A charge for the employer's share of Medicare FICA coverage on all employees hired after April 1, 1986.
5841-5999	Other personnel expenses/expenditures: Personnel related expenses/expenditures not previously specified.

ACCOUNTING POLICIES AND PROCEDURES

6000 - TRAVEL SERIES - Travel expenses for out-of-State travel are recorded using general ledger accounts 6100-6179. Travel expenses for in-State travel are recorded using general ledger accounts 6200-6279.

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
6001	Other travel expenses/expenditures: Miscellaneous travel expenses/expenditures not specified in another general ledger account.
6100-6108	Per diem out-of-state: Payments made to employees and board or commission members as an allowance for meals, lodging and incidentals while traveling.
6110	Motor Pool out-of-state: Charges from the Motor Pool Division for vehicles used for travel.
6115	Non-Motor Pool out-of-state: Charges for non-Motor Pool Division rental of vehicles used for travel.
6120-6122	Auto miscellaneous out-of-state: Miscellaneous auto charges for vehicles used in travel status.
6130-6133	Public transportation out-of-state: Costs of transportation including taxicabs, limousine service, buses, railroads, rented vehicles and other forms of transportation associated with travel, excluding personal vehicles, airplanes and Motor Pool Division vehicles. Expenses/expenditures can be paid in the form of reimbursement to employees or board or commission members.
6140-6143	Personal vehicle out-of-state: Reimbursements made to employees or board or commission members while on State business for using their personal vehicle or aircraft, when used either for the convenience of the employee or the State. This can be used for airfare in lieu of mileage.
6150-6153	Commercial air transportation out-of-state: Costs of commercial airplane transportation that can be directly paid to travel agencies or airlines or to employees or board or commission members for ticket reimbursements.
6160	State-owned air transportation out-of-state: Charges for transportation on State-owned aircraft. This includes pilots' per diem charges.
6170-6174	Travel card charges out-of-state: Charges by travel card companies and banks for cash advances (ATM fees) and for late fees. These charges are usually for travel reimbursement to the employee or board/commission member.
6200-6207	Per diem in-state: Payments made to employees and board or commission members as an allowance for meals, lodging and incidentals while traveling.
6210-6213	Motor Pool in-state: Charges from the Motor Pool Division for vehicles used for travel.
6215	Non Motor Pool in-state: Charges for non-Motor Pool Division rental of vehicles used for travel.
6220-6222	Auto miscellaneous in-state: Miscellaneous auto charges for vehicles used in travel status.
6230-6233	Public transportation in-state: Costs of transportation including taxicabs, limousine service, buses, railroads, rented vehicles, ATV rentals and other forms of transportation associated with travel, excluding personal vehicles, airplanes and Motor Pool Division vehicles. Expenses/expenditures can be paid in the form of reimbursement to employees or board or commission members.

ACCOUNTING POLICIES AND PROCEDURES

6240-6243	Personal vehicle in-state: Reimbursements made to employees or board or commission members while on State business for using their personal vehicle or aircraft, when used either for the convenience of the employee or the State. This can be used for airfare in lieu of mileage.
6250-6253	Commercial air transportation in-state: Costs of commercial airplane transportation that can be directly paid to travel agencies or airlines or to employees or board or commission members for ticket reimbursements.
6260	State-owned air transportation in-state: Charges for transportation on State-owned aircraft. This includes pilots' per diem charges.
6270-6274	Travel card charges in-state: Charges by travel card companies and banks for cash advances (ATM fees) and for late fees. These charges are usually for travel reimbursement to the employee or board/commission member.

7000 – OPERATING EXPENSES SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
7020-7029	Operating supplies: Costs to purchase office stationery, forms, pens, pencils and costs paid for functional supplies; i.e., chemicals, laboratory supplies, cleaning and sanitation supplies, feed for animals, household and institutional supplies and recreational supplies.
7030-7034	Freight and delivery charges: costs for freight and delivery, such as Federal Express and UPS. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7037-7039	Communication repair charges: costs for the repair of communication equipment. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7040-7049	Printing and copying services: Printing, copying, copy machine supplies, paper, toner, microprint, microfilm, microfiches, photographs, prints, maps, annual reports, outside printing and other like items. Payments to the Printing Division are to be charged here. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7050-7059	Insurance: Costs other than those related to personnel services, including bonds, vehicle insurance, and deductible paid to EICON. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7060-7069	Board of Examiners contractual services: Personal services rendered while under a contract approved by the Board of Examiners. Contracts for capital leases, fixed assets and construction should be charged to the appropriate capital account in the 8200-8419 series. Contracts for operating leases should be charged to the appropriate operating lease account in the 7980-7984 series.
7070-7079	Non-BOE contract services: Contracts not approved by the Board of Examiners, such as contracts for service and maintenance on office equipment. Payments to outside vendors for contractual services other than individual foster care are reportable to the Internal Revenue Service.
7080-7089	Legal and court expenses/expenditures: Charges for legal services and court expenses from the Attorney General's Office (unless collected through the

ACCOUNTING POLICIES AND PROCEDURES

	Attorney General cost allocation plan) or an outside entity. Payments to outside vendors are reportable to the Internal Revenue Service as legal income.
7090-7099	Equipment repair services: Office and other equipment repair of a minor nature not classifiable as capital outlay. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7100-7105	State-owned building rental: Rent payments to the Buildings and Grounds Division should be charged to 7100. Rent payments to other state agencies for rental of buildings owned by the State should be charged to 7105.
7110-7119	Non-State-owned building rent: Costs for renting or leasing buildings not owned by the State. This account also includes the costs for renting or leasing space for storage, meetings or conferences and all costs associated with drafting leasing agreements. Payments to outside vendors, except real estate agents, are reportable to the Internal Revenue Service as rental income.
7120-7129	Advertising and public relations: Payments for printed announcements in professional periodicals and newspapers or for radio or television announcements. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7130-7139	Utilities: Bottled Water, hazardous waste disposal, electric, heating oil, gas, propane, garbage disposal, water and sewer services, other utilities (i.e., cable TV) as well as payments to Buildings and Grounds for water usage.
7140-7149	Maintenance of buildings and grounds: Lumber, paint, electric supplies, hardware supplies, heating and air conditioning supplies and shop supplies needed for maintenance. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
7150-7159	Vehicle operation: Agency-owned vehicle operation, maintenance, gasoline and other similar costs. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
7160-7167	Aircraft operation: All expenses involved in the maintenance and operation of aircraft owned by an agency. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
7170-7177	Clothing/uniform/tool allowance: Reimbursement to employees for the purchase of clothing, uniforms or tools used in their work, the outright purchase of these items on behalf of the employee and the maintenance of these items. Payments for these items may be reportable to the Internal Revenue Service as miscellaneous income.
7180-7189	Medical and dental expenses/expenditures: Medical and dental supplies or services; drugs, prescription or non-prescription; pharmaceutical supplies; genetic screening and client-related medical appliances that are not part of an approved contract. Payments to outside vendors for services are reportable to

ACCOUNTING POLICIES AND PROCEDURES

	the Internal Revenue Service as medical income.
7190-7199	Stipends, commissions and prizes: Stipends: Payments for services to non-state employees. This includes inmate payrolls. Commissions: Percentage of sales given to individuals, including payments to employee associations for vending machine proceeds. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income. Any payments to state employees are reportable to the Internal Revenues Service on the W-2.
7200-7209	Food: Purchased for human consumption only.
7220-7226	Other EDP costs (non-DOIT): Costs related to maintaining an in-house EDP system. Does not include initial purchase of software or hardware. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7230-7231	Minor improvements - building/fixtures: Costs of building, remodeling projects totaling less than \$10,000 and not done by the Buildings and Grounds Division. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7240-7242	Host fund expenses/expenditures: Payments for special entertainment for dignitaries. Host Funds must have prior approval of the Legislature. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7250-7255	Buildings and Grounds special services: Routine maintenance and utility charges assessed by the Buildings and Grounds Division on space they do not own. Also, extra services performed by them should be coded here. The Buildings and Grounds assessment on leased space should also be included here.
7260-7261	Taxes and assessments: Property taxes or other assessments being paid that have been passed through to the State through leases. NOTE: The State should not be paying taxes of any kind and State agencies are encouraged to try to negotiate these out of their lease agreements if possible.
7270-7279	Interest expenses/expenditures: This account includes all charges paid for the use of money. Costs of leasing equipment under a capital lease agreement (See definition for 8410-8419 series) should be split between general ledger accounts 7270 and 8410 series. Payments to outside parties are reportable to the Internal Revenue Service as interest income.
7280-7285	Postage: Includes charges that are paid to the U.S. Post Office or to the Mail Room.
7290-7299	Telephone: Costs for regular monthly service charges for telephone, facsimile, communication lines, voice mail, cell phones and pagers. Also includes charges for long distance and telephone and data wiring.
7300-7305	Dues and registrations: Memberships in professional or other organizations and associations. Also includes fees for taking classes or attending seminars. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7310	Power purchases: Electrical power purchased for resale to utility districts.

ACCOUNTING POLICIES AND PROCEDURES

7320-7324	Instructional supplies: Payments for teaching aids which are used in workshops or training seminars. These may include films, multiple reference books or any other supply that can appropriately be classified as a training item and costs less than \$5,000.
7330-7334	Special reports/projects: Costs incurred for special items such as computer searches and other special fees that cannot be charged to the printing and copying accounts in the 7040 series. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7340-7344	Inspections and certifications: Inspections required by State agencies for sanitation, public safety and other related areas. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7350-7359	Court Awards: Court awards, torts, settlements and interest for physical injury, property damage, punitive damages or compensatory damages paid to individuals or to attorneys. Payments to individuals (except for physical injury or property damage) and to attorneys are reportable to the Internal Revenue Service. 7350-7351 – Physical injury or property damages paid to an individual. 7352 – Physical injury or property damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds. 7353 – Punitive damages paid to an individual. Payments for punitive damages to individuals are reportable to the Internal Revenue Service as miscellaneous income. 7354 – Punitive damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds. 7355-7356 – Compensatory damages paid to an individual. Payments for compensatory damages to individuals are reportable to the Internal Revenue Service as miscellaneous income. 7357 – Compensatory damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds. 7358 – Interest paid to individuals. Payments for interest are reportable to the Internal Revenue Service as interest income. 7359 – Interest paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds.
7360	University operations: Monthly draw-downs for University and Community College System of Nevada.
7370-7374	Publications and periodicals: Subscriptions to newspapers, magazines, publications and periodicals or their cost on an individual basis.
7380-7382	Employee moving expense/expenditures: Moving expenses resulting from the transfer of a permanent State employee from one community to another in accordance with the provisions of SAM Section 0238.0.
7390	Credit card discount fees: Costs associated with accepting credit card payments for goods or services. These fees are paid to the banking systems and represent the state's cost for accepting credit cards.
7391	Attorney General cost allocation: Cost of all non-litigation legal services

ACCOUNTING POLICIES AND PROCEDURES

	provided to State agencies by the Office of the Attorney General.
7392-7393	Assessments – State agencies: Payments to support the DOIT planning and contract administration divisions and the Purchasing Division.
7400-7409	Client service provider payments: Payments to service providers to benefit clients, including payments for travel; the cost of Motor Pool vehicles used to transport clients; client escorting costs; payments for professional, training or rehabilitation services; payments for attendant care (i.e., interpreter services) and services to disabled clients. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7410-7419	Client medical provider payments: Payments to medical, dental and health service providers to benefit clients. Payments to outside vendors for medical services are reportable to the Internal Revenue Service as medical income.
7420-7429	Client material provider payments: Payments to providers of goods, materials or supplies to benefit clients, including training materials, rehabilitation materials, client canteen purchases, purchase of clothing for client use, purchase of prescription or non-prescription drugs, purchases of adaptive equipment (i.e., wheelchairs, etc.). If the payment includes both goods and services, use GLs 7400-7409.
7430-7439	Professional services: Services not otherwise listed that are provided on a non-contractual basis, including CPAs, consultants, architects, professional training services or temporary employment services. Use GLs 7080-7089 for legal services and 7180-7189 for medical, dental and health care services. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7440	Interview expenses/expenditures: Payment of travel expenses to interview candidates for employment.
7445-7448	Scholarships: Payments made to a degree candidate for tuition, fees, books, supplies or equipment to attend an educational institution. Payments for room and board, teaching, research or other services are considered wages and should be reported on the individual's W-2 form. If you think payments should be reported on a W-2, please contact the Controller's Office for guidance.
7449	Prepaid tuition payments: Disbursements to an institution of higher education for tuition or other fees associated with a state-sponsored prepaid tuition program.
7450-7459	Contracts - State agencies: Services performed by one State agency for another under an interagency, interlocal contractual agreement. Please do not use these GL's to pay non-state entities.
7460-7464	Equipment under \$1,000: Equipment purchases with a unit cost of less than \$1,000 should be charged here. These purchases are not capitalized, but should be inventoried by the agency.
7500-7502	Payments to individuals for services: Use for payments to individuals not properly classified as a contract or professional service or in some other available general ledger. Payments to individuals for services are reportable to the Internal Revenue Service as miscellaneous income.

ACCOUNTING POLICIES AND PROCEDURES

7510-7553	DOIT charges: payments to the Department of Information Technology for various charges.
7560-7579	Internal service funds only: Various expense general ledger accounts for use by Internal Service Funds only.
7630-7639	Miscellaneous expenses/expenditures: Amounts paid for goods and materials (7630-7634) or services (7635-7639) not properly classifiable in one of the general ledger accounts included in the 7000 series. Payments classified here should be occasional in frequency and minor in amount. If the payment includes both goods and services, use GL's 7635-7639. GL 7637 is to be used only for Notary fee application and renewal payments. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7650-7659	Refunds: Payments to refund amounts received in excess of what was due, including refunds of revenue where the agency wants to show gross revenue and refunds separately. GL 7659 is to be used only for the Senior Citizens Property Tax Refund to refund qualified senior citizens property taxes on owned or rented property.
7750-7753	Non-State employees in-State travel: In-State travel expenses for consultants and other persons not considered State personnel on an accountable plan basis only. This includes payments of travel expenses to an individual under a contract which does not include travel expenses in the contract. If the contract specifies travel expenses are included in the contract amount, then persons under Board of Examiner approved contracts use General Ledger 7060 series and persons under non-BOE contracts use General Ledger 7070 series.
7760-7763	Non-State employees Out-of-State travel: Out-of-State travel expenses for consultants and other persons not considered State personnel on an accountable plan basis only. This includes payments of travel expenses to an individual under a contract which does not include travel expenses in the contract. If the contract specifies travel expenses are included in the contract amount, then persons under Board of Examiner approved contracts use General Ledger 7060 series and persons under non-BOE contracts use General Ledger 7070 series.
7770-7772	Computer software: Costs for outright purchases of computer software. Use G/L 7770 if \$5,000 or more and G/L 7771-7772 if less than \$5,000.
7800-7804	Nursery and farming: Costs related to raising trees, plants and livestock (used by the Departments of Prisons and Conservation and Natural Resources).
7830-7835	Debt service funds only: Various expenditure general ledger accounts for use by debt service funds only. Payments to outside vendors for interest are reportable to the Internal Revenue Service as interest income. Payments to outside vendors for fees are reportable to the Internal Revenue Service as miscellaneous income.
7860-787Z	NDOT In-House: For use by Nevada Department of Transportation only.
7950	Rent subsidy: Reimbursement received for excess rent paid by an agency because of a mid-year relocation. Payments to outside vendors for rent are reportable to the Internal Revenue Service as rental income.
7960-7963	Land/equipment rental: Rental payment for use of equipment or land.

ACCOUNTING POLICIES AND PROCEDURES

	Payments to outside vendors for rentals are reportable to the Internal Revenue Service as rental income.
7970-7973	Materials: Materials to be used in the process of producing or manufacturing a finished product; i.e., stockpiles of gravel, sand, aluminum and other similar items.
7980-7984	Operating lease expense: Payment for the use of property where the risks and benefits of ownership are not transferred to the State. There must be a signed lease agreement. All agreements for non-cancelable leases, including any renewal agreements, must be filed with the Controller's Office for financial reporting disclosure purposes. Payments to outside vendors for lease payments are reportable to the Internal Revenue Service as rental income.
7990-7991	Cost allocation credit: Used by an agency to spread accumulated costs in one budget account into other budget accounts of the agency.

8000 – CAPITAL OUTLAY SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8100	Land: The original cost of purchasing land.
8101	Non-cash capital improvements: value of capital improvements not paid for with cash.
8110	Easements: Costs associated with the right or privilege to use land that belongs to another entity; i.e., right of way, not land rental.
8120	Land improvements: Includes the cost of demolishing obsolete structures, cleaning up and other site preparation work.
8125	Improvements other than buildings: Permanent improvements that add value to land; i.e., fences, retaining walls, etc.
8130-814Z	Highway Construction: Various costs associated with the acquisition of right-of-way and costs of constructing, improving and repairing roads and highways including paving of parking and similar areas. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8150	Buildings: The cost of acquiring new buildings.
8151-8154	Building improvements: The cost of making structural changes to an existing building to make it more efficient or extend the useful life, and \$100,000 or more in cost. If less than \$100,000, the general ledger series 7230 should be used. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8160-8199	Capital improvement projects: For use in accumulating the costs of capital improvement projects.

8200 to 8419 – EQUIPMENT SERIES – Items with a unit cost of \$5,000 or more should be charged to GL numbers ending with 0. Items with a unit cost of less than \$5,000 should be charged to GL numbers ending in 1 through 9.

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8200	Water system equipment: Equipment purchase for State owned water systems.

ACCOUNTING POLICIES AND PROCEDURES

8210	Mobile homes/storage sheds: Purchase of mobile homes and storage sheds.
8220	Trailers: Includes the cost of all auxiliary equipment necessary to make them functional.
8230	Microwave stations and systems: Purchase of microwave communications equipment.
8240-8242	New furnishings: Office, residential, shop furniture and major appliances purchased new.
8250-8252	Major equipment new: Large tools and equipment used in the mailroom, clinics, labs and shops including heavy construction equipment.
8260	Boats: Purchase of marine vessels.
8270-8277	Special equipment new: Audio-visual equipment, law enforcement equipment, teaching or training equipment, blind vendor equipment, or other equipment of a specialized nature.
8280	Heavy duty trucks new: Stake, dump and other large trucks with a minimum one-ton capacity purchased new.
8290-8293	Telephone equipment: All costs of purchasing a telephone system, including boards, wires, telephone sets, etc.
8300	Aircraft: Purchase of airplanes, helicopters, etc.
8310	Pickups/vans new: Includes mini-busses.
8320-8321	Used major equipment: Major equipment items purchased used.
8330-8334	Office and other equipment: Equipment purchased for office and residential use, and other small equipment items not properly classified as major (GL series 8250-8259).
8340-8341	Special purpose vehicles: Utility vehicles and riding maintenance equipment.
8350-8351	Used furnishings: Items that would be classified under object 8240, if new.
8360	Passenger cars new: Purchase of new passenger cars.
8370-8374	Computer hardware: Cost of outright purchases of computer hardware; e.g., terminals, printers, modems, disk drives, etc.
8380	Used vehicles: Includes pick-ups, vans, automobiles and special purpose vehicles purchased used.
8390-8394	Miscellaneous equipment: Firearms, hand tools and other small equipment items with a useful life of 3 years or more.
8401	Major equipment repairs/improvements: Repairs or improvements to major equipment items which are substantial and extend its useful life beyond what was originally expected or which increase the capacity or operating efficiency of the item. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8410-8412	Principal installment/lease purchase: Principal portion of installment purchases and lease payments on capital leases. Contact your Controller's Office liaison for guidance on determination of capital leases. A copy of all lease agreements must be forwarded to the Controller's Office and an amortization schedule breaking down the lease payments into principal and interest will be furnished to the agency. Interest portion of payment is to be coded to the interest expense series (See definition for GL's 7270-7279).

ACCOUNTING POLICIES AND PROCEDURES

8430-8499 – BOND AND REMIT SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8430	Arbitrage Payments: Payments to the US government for arbitrage costs associated with bond issues.
8470	Refunding Payments: Costs associated with the refunding of bond issues.
8499	Remit to Federal Government: For various payments to the federal government. <i>Do not use without contacting Controller's Office for approval.</i>

8500 – AID TO NEVADA GOVERNMENTAL UNITS SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8501-8549	Aid to Nevada counties and cities.
8550-8551	Aid to Nevada boards and commissions.
8560-8599	Aid to other Nevada governmental units.

8600 – AID FOR EDUCATION AND TRAINING SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8601-8619	Aid for school districts.
8620-8639	Aid for private schools and training institutes.
8640-8649	Aid for institutions of higher education.
8651	Intergovernmental – Other – <i>for Controller's Office use only.</i>

8700 – AID OR GRANT SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8700-8740	Aid to individuals: Payments to clients for welfare and other public assistance benefits, including payments from the State fund for victims of crime.
	8730 – Work training program: Payments by the Welfare Division to a client for taking part in a work-training program where the payments do not total more than the welfare benefits the client would have received otherwise. If it is not known if payments will exceed aid, use GL 8729.
	8731 – Work Training Program Stipends: Payments by the Welfare Division to a client for taking part in a work-training program where the payments exceed the welfare benefits the client would have received otherwise. The entire amount is considered to be income to the client. Payments to clients under these conditions are reportable to the Internal Revenue Service as miscellaneous income.
8750-8759	Aid to private organizations: Aid payments to service providers to benefit clients. These can include payments for professional services, transportation, training, rehabilitation or attendant care. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8770-8779	Respite Care, Foster Care and Client Rent: 8770-8772 – Payments to individuals or entities who care for clients in place of the parents or foster parents (Respite Care). These payments are reportable to the Internal Revenue Service as miscellaneous income.

ACCOUNTING POLICIES AND PROCEDURES

8773-8775 – Payments to individuals providing foster care in their homes to less than 5 qualified foster individuals 19 or older; or payments to individuals providing difficulty of care assistance to less than 5 qualified foster individuals 19 or older or less than 10 qualified foster individuals under 19. Not reportable to the Internal Revenue Service for 1099 purposes.

8776-8777 – Payments to individuals providing foster care in their homes to more than 5 qualified foster individuals 19 or older; or payments to individuals providing difficulty of care assistance to more than 5 qualified foster individuals 19 or older or more than 10 qualified foster individuals under 19. These payments are reportable to the Internal Revenue Service as miscellaneous income.

8778 – Payments for living quarters or non-state owned equipment on behalf of clients. These payments are reportable to the Internal Revenue Service as rental income.

8779 – Payments to real estate agents for living quarters on behalf of clients. If you do not know if the payee is a real estate agent, use GL 8778.

8780-8789 **Aid to non-profit organizations:** Aid payments to non-profit service providers to benefit clients. These can include payments for professional services, transportation, training, rehabilitation or attendant care.

8795-8797 **Grants:** Grant payments to individuals or organizations, including certain federal or state energy grants and other grants financed by the federal or state government such as grants to promote the arts. Federal grants are ordinarily taxable unless stated otherwise in the enabling legislation. Grants are reportable to the Internal Revenue Service as grant income.

8798-8799 **Non-taxable grants:** Grant payments to individuals or organizations where the enabling legislation states the grant is not taxable. Proof of the tax-exempt status must be on file with the Controller's Office.

8801-8999 **Various expenses/expenditures:** *These general ledger numbers should not be used without contacting the Controller's Office for approval.*

9000 – TRANSFER/DISBURSEMENT SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
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9001-9169	Operating transfers to State agencies: All inter/intra-fund transfers, e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.
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9170-9699	Translating/Pass-through disbursements: <i>Do not use without contacting Controller's Office for approval.</i> Not an expenditure, but represents reduction to a liability or increase to an asset. These GL's translate to an asset or liability balance sheet account and generally represent the disbursement of cash received by the State in a pass-through capacity. For more information, see guidance in section on Accounting for Pass-Through Resources.
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9700-9709	Translating/Inventory: Inventoried items purchased for resale to the public.
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9710-9744	Translating disbursements: <i>Do not use without contacting Controller's Office for</i>
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ACCOUNTING POLICIES AND PROCEDURES

approval. Not an expenditure, but represents reduction to a liability or increase to an asset. These GL's translate to an asset or liability balance sheet account.

9760-9767

Fund level transfers: *reserved for Controller's Office use only.*

9770-9827

Other disbursements: *These general ledger numbers should not be used without contacting the Controller's Office for approval.*